(b) whether the problems of the domestic shipping industry has been compounded by the removal of restriction on using a foreign-flag vessel in India, denying a level playing field for the domestic shipping industry; and

(c) whether the removal of Tonnage Tax Act has shown any favourable impact on the revival of the domestic shipping industry?

THE MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R. BAALU): (a) Not yet Sir. However, the Indian shipping industry is burdened with a variety of taxes which is denying level playing field to the Indian industry *vis-a-vis* their international competitors.

(b) The restrictions on using foreign flag vessel in India have not been removed. In order to ease congestion in container movement at Jawaharlal Nehru Port Trust (JNPT)/Mumbai Port Trust, two relaxations of six months each were given under Section 407(3) of Merchant Shipping Act, 1958, in January, 2005 and August, 2005, for movement of containers by foreign ships between JNPT/Mumbai Port Trust to any other port in India or *vice versa*. Foreign flag vessels are allowed to be chartered in by an Indian entity, only in the absence of availability of matching Indian Flag vessels.

(c) There is no proposal in the Government for removal of Tonnage Tax. In fact Government has introduced the tonnage tax for shipping industry from the year 2004-05. There has been improvement in tonnage since its introduction and the gross tonnage of shipping industry has increased by 25.11% during the last two years.

Expansion of Mormugao Harbour

513. SHRI SHANTARAM LAXMAN NAIK: Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether Government propose to upgrade/expand facilities for handling of goods of the Mormugao Harbour;

(b) whether any construction work is in progress;

(c) the cost involved in the present expansion/upgradation; and

(d) the details of the future plan?

THE MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R. BAALU): (a) to (c) Yes Sir. Upgradation/Expansion of facilities for handling of goods etc. is taken up in planned manner through Annual Plans. During the first 4 years of the Xth Five Year Plan the following schemes have been implemented by the Mormugao Port Trust which have resulted in capacity augmentation:

(Rupees in crores)

Sl.No.	Scheme	Cost
1.	Construction of Berths 5A & 6A on Build-Operate-Transfer (BOT) basis	225.00
2.	Replacement of 4 Nos. Barge Unloaders	28.20
3.	Deepening of approach channel and berth. No. 9 to (-) 14.10 mtrs.	32.20
4.	Construction of 3 Nos. Mooring Dolphins	6.54
5.	Modification to Receiving System	3.81
	TOTAL:	295.75

At present work of replacement of existing 4 Barge Unloaders of 500 tonnes per hour capacity by Barge Unloaders of 750 tonnes per hour capacity at an estimated cost of Rs. 34.57 crores is in progress. Out of these 4, two Barge Unloaders have already been commissioned.

(d) Details of Port's future expansion plans are as under:

(Rupees in crores)

Sl. No.	Scheme	Estimated Cost
1.	Replacement of 1 No. bucket wheel reclaimer	15.00
2.	Replacement of 1 No. Shiploader	15.00
3.	Replacement of 2 Nos. Stackers	15.00
4.	Deepening of approach channel and Berth No. 9 to (-) 15.1 mtrs.	65.00
5.	Construction of cruise cum container berth at Baina (BOT basis)	185.00
6.	Construction of berths at Vasco bay (BOT basis)	120.00
7.	Installation of wagon handling system (BOT basis)	80.00
8.	Modification of existing POL berth	25.00
9.	Modification of existing general cargo berth	90.00
10.	Transhippers for iron ore export	140.00
11.	Strengthening of breakwater	25.00
	TOTAL:	775.00